(c) whether *tht* freight equalisation policy in iron and :teel only making goods produced in the E stern States less competitive thus maki ig these States economically backward > the States of other parts of the count y?

THE MINISTEI OF STATE IN THE MINISTRY OF PLANNING (SHRI SUKH RAM): (a) to (c) The Freight Equalisatio i Scheme are operated in vaj-id form —in some Cases e.g. fertilisers, aluminium, copper, zinc, lead, etc. there is equalisation of freight as well as sale price in the case of petrol urn products there are a number of refi iery ex-storage pricing points in the coun ry and some secondary pricing points at wits, the consumer is entitled to purchas from the pricing centre nearest to him and has to pay transportation cost fron there to the consumption point. In t ie case of iron and stee] and levy p rtion of cement, there is equalisation ol freight only. This generally covers i lil freight but includes transportation by road where rail facilities are not available as for example in the North-Eastern region and Jammu & Kashmir, it is c ifficult t_0 say which States are benefit! j by the operation of the Freight Equal sation Schemes and to what extent. T i_e Freight Equalisation Schemes do not | iake good produce^ in any State less cor petitive but neutralise the advantage of proximity to raw materials to the conce ned States. The freight element generally constitutes only a small parts of t >e total price payable by the consumer and it would not be correct to say that t u'$_s$ makes any States economically bact ward as compared to the other States c:· the country.

Domestic aircraft manufacture industry

2249. SHRI NIRMAL CHATTERJEE: SHRI M A. BABY;

Will the Minister of DEFENCE be pleased to state;

(a) whether Government have any plan **for** building up a domestic aircraft manu facturing industry while negotiating pur chases of aircrafs from foreign manu facturers, as was done in Indonesia and Brazil; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ PATIL): (a) and (b) There i_s already a domestic aircraft manufacturing industry in the form of M/s. Hindustan Aeronautics Limited (HAL). While negotiating purchases of aircraft from foreign manufacturers, technology transfer for licence production of aircraft in India is also considered keeping is view the need and the techno-economic considerations. Some of the aircraft being presently manufactured under licence of HAL are—Jaguar, Dornier and the Many series of aircraft.

World bank suggestion of devaluation of rupee

2250. SHRI SUKOMAL SEN;
SHRI MOSTAFA BIN QUASEM;

Will the Minister of FINANCE be pleased to state;

(a) whether it is a fact that in view of extreme slow growth in export limiting imports of essentials the World Bank has suggested for a major devaluation of the external value of the rupee; and

(b) if so, reaction of the Government to said suggestion?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) No, Sir.

(b) Does not arise.

Budgetary support to public sector units

2251. SHRI GURUDAS DAS GUPTA; SHRI SURA J PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government has a proposal to withdraw budgetary support to the public sector units; and

(b) if so, the details of the proposal?

THE MINISTER OF STATE IN IHE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI 3. K. GADHVI): (a) No, Sir.

(b) Does not arise.

उपभोक्ता मूल्य सूचकांक में वृद्धि

2252. श्री राम नरेश कुशवाहा : क्या **वित्त** मंत्री यह बताने की कृपा करेंगे कि:

(क) एक अप्रैल, 1987 से 15 जुलाई, 1987 तक उपभोक्ता मूल्य सूचकांक में कितने प्रतिशत वृद्धि हुई है;

(ख) क्या सरकार केन्द्रीय सरकार के कर्मचारियों को महंगाई भत्ते की एक किश्त देने की घोषणा करने का विचार रखती है ; और

(ग) यदि नहीं, तो सके क्या कारण हैं ?

वित्त मंत्रालय में व्यय विभाग में राज्य मंत्री (श्री बी० के० गढवी) : (क) अखिल भारतीय उपभोक्ता मूल्य सूचकांक आंकड़े माह के अन्त में ही प्राप्त होते हैं। इस लिये 15 जुलाई, 1987 का उपभोक्ता मूल्य सूचकांक उपलब्ध नहीं है। 1-4-1987 को सूचकांक 686 था तथा 1-7-1987 को वह 715 था। प्रतिशत-अनुपात वृद्धि 4.23 है।

(ख) और (ग) केन्द्रीय सरकार के कर्मचारियों को 1-7-1987 से महंगाई भत्ता दिये जाने से संबंधित प्रश्न विचाराधीन है और शीघ्र ही निर्णय से लिया जावेगा।

Bank loans to Reliance Industries Ltd.

2253. DR. (SHRIMATI) SAROJINI MAHISHI: Will the Minister of FINANCE be pleased to state;

(a) whether Government have Assessed the report of enquiry committee headed by Dr. C, Rangarajan, Governor R.B.I. on bank loans to Reliance Industries (RIL);

(b) if so, what action has been *aken against Reliance Industries (RIL); and

(c) whether RIL has been fined for violating the terms of loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) The Committee set up by Reserve Bank of India under the Chairmanship of Dr. C. Rangarajan, Deputy Governor, RBI enquired into the circumstances leading to and connected with the advances made by some commercial banks to companies which were associates of Reliance Industries Ltd. against the security of shares/debentures of RIL. Based on the report of the Committee, the banks which had given advances to companies connected with RIL against the security of shares/debentures of RIL were directed by R.B.I, to take steps to recall the loans in question, except in the case of any company, where the banks were satisfied that it had utilised the entire loan f^{or} the purpose for which it was given. Since RIL itself had not taken the loan, there was no question of imposing any fine for violating the terms of the loan.

Main battle tank

2254. SHRI ATAL BIHARI VAJPAYEE: Will the Minister of DEFENCE be pleased to state:

(a) by when the Main Battle Tank is going to be ready for battle effectiveness, as per the present estimates;

(b) what are the time and cost overruns, if any, and the reasons therefor; and

(c) whether there has been an effective coordination between the designers and manufacturtrs and the Army Headquarters, if so, how and if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF DEFENCE PRODUCTION AND SUPPLIES IN THE MINISTRY OF DEFENCE (SHRI SHIVRAJ PATIL): (a) As per the present estimates the Main Battle Tank 'Arjun' is scheduled to go in bulk production by 1990-91.

(b) The first prototype tank was completed in Oct. 1983, two month$_s$ ahead of schedule. The original sanctioned cost